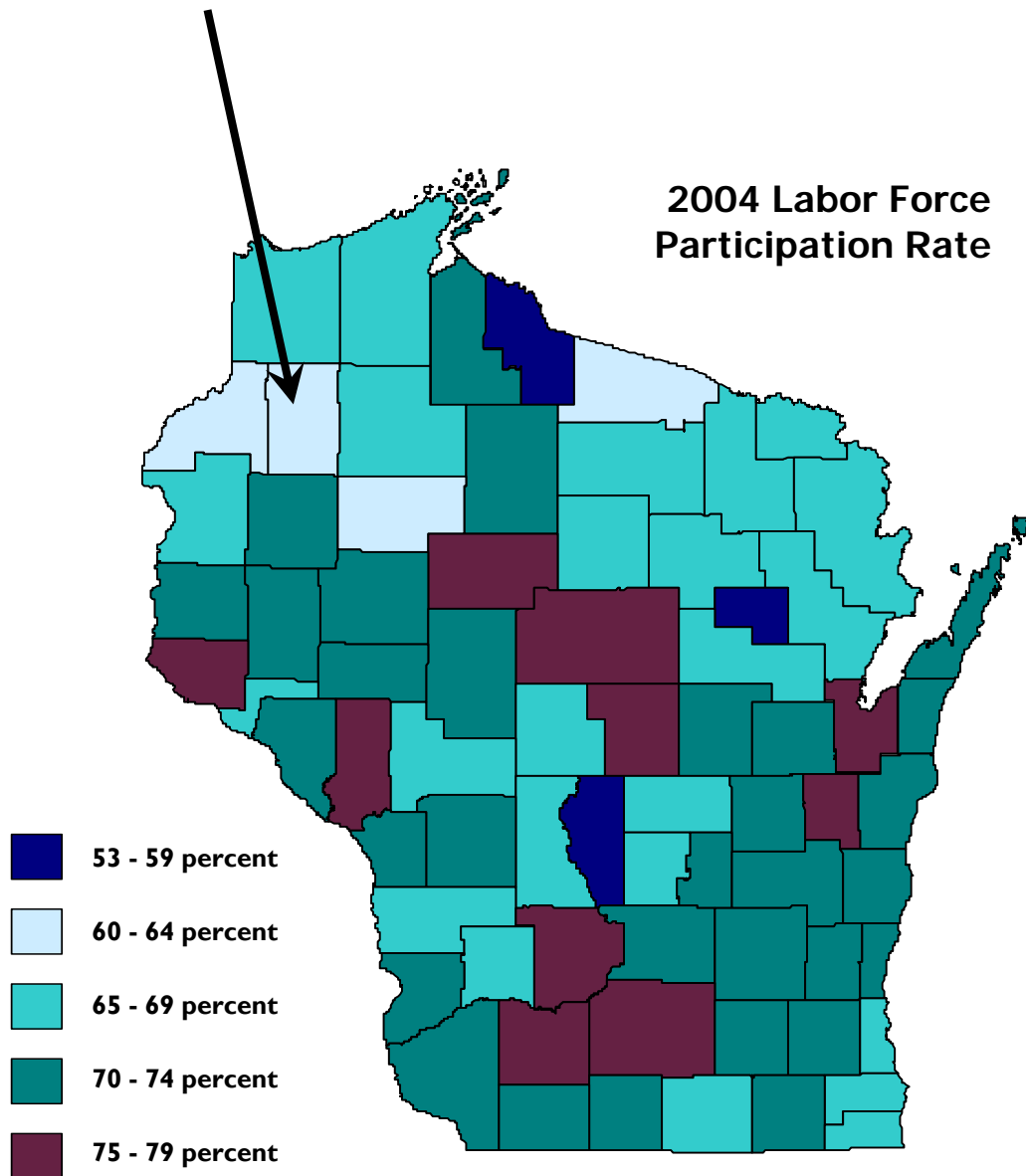


Washburn County Workforce Profile



Source: Estimates created by DWD, OEA using data supplied by
U.S. Bureau of Labor Statistics and U.S. Bureau of Census

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State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

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County Population and Labor Force

The population in Washburn County reached 17,000 in January 2005. Since Census 2000 the population increased 6.0 percent with the addition of 964 new residents. This increase exceeds changes in both the state and nation and ranked 15th fastest among the state's 72 counties.

All of the increase is due to new residents moving into the county and that is occurring faster in the more rural towns than in the county's cities. The largest population increase in the county was in the Town of Bashaw with 159 new residents and was followed by the increase in the Town of Trego.

While there is evidence that some of the new residents move to the county not to retire but to work population projections foretell a future where the elderly increasingly comprise a larger share of the total population not only in Washburn County but also in the state and nation. In 2005, roughly 31 percent of the labor force aged population (16 yrs and older) is aged 60 years or older. By 2020 that share will increase to 42%, one of the highest in the state.

The labor force is a sum of factors that relate to the local population. Those factors include lower participation rates for women than men, much higher participation from middle-aged residents than either the young or elderly, and declining participation rates among the white population as minority participation increases. All of these factors are working against a rise in the number of labor force participants in Washburn County even as the number of residents aged 16

Population and Labor Force

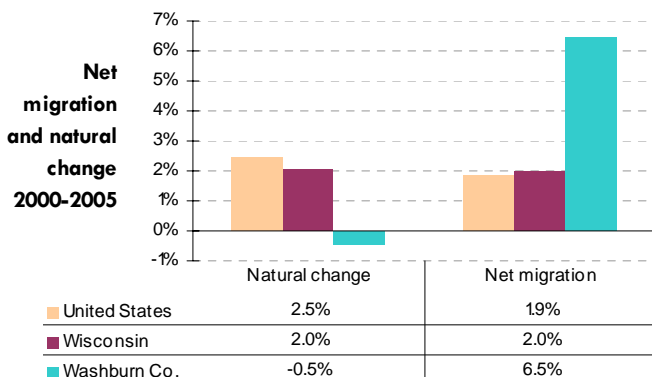
	United States	Wisconsin	Washburn County
Total population in 2000	281,424,602	5,363,715	16,036
Population est. Jan. 1, 2005	295,160,302	5,580,757	17,000
Change	13,735,700	217,042	964
% change	4.9%	4.0%	6.0%
2005 Labor force population*	224,837,000	4,339,938	13,822
Share of total population	76.2%	78%	81.3%
Labor force	147,125,000	3,071,179	8,239
Labor force participation rate	65.4%	70.8%	59.6%
2005 Population 16 yrs. & over	228,621,674	4,417,313	13,976
16-24 yrs old	37,489,370	743,764	2,091
Share of population 16+ yrs	16.4%	16.8%	15.0%
25-59 yrs old	142,248,896	2,708,865	7,568
Share of population 16+ yrs	62.2%	61.3%	54.2%
60 yrs and older	48,883,408	964,684	4,317
Share of population 16+ yrs	21.4%	21.8%	30.9%
Projected population: 2020	335,804,546	6,110,878	17,869
Population 16 yrs. & over	264,085,104	4,869,573	14,991
16-24 yrs old	37,918,865	681,586	1,333
Share of population 16+ yrs	14.4%	14.0%	8.9%
25-59 yrs old	150,678,402	2,756,884	7,379
Share of population 16+ yrs	57.1%	56.6%	49.2%
60 yrs and older	75,487,837	1,431,103	6,279
Share of population 16+ yrs	28.6%	29.4%	41.9%

* civilian population 16 yrs. and older not in an institution

Five largest municipalities in Washburn County

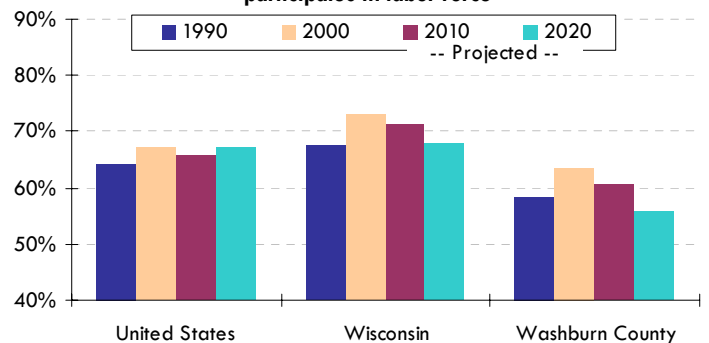
	April 2000 Census	Jan. 1, 2005 estimate	Numeric change	Percent change
Washburn County	16,036	17,000	964	6.0%
Spooher, City	2,653	2,695	42	1.6%
Shell Lake, City	1,309	1,347	38	2.9%
Evergreen, Town	1,076	1,110	34	3.2%
Bashaw, Town	921	1,080	159	17.3%
Trego, Town	885	988	103	11.6%

Source: Wis. Dept. of Administration, Demographic Services, August 2005



Source: WI Dept. of Admin., Demographic Services & US Census Bureau

Percent of labor force age population that participates in labor force



Source: special tabulation by OEA using US Census, US Bureau of Labor Statistics, WI Dept. of Admin. estimates and projections

years and over is increasing.

Even though there is a possibility that the current labor force participation rate of 59.7 percent will increase slightly as baby-boomers choose to remain in the workforce instead of retiring early, that increase will be short-lived. At best there would be no change from the current labor force size, but more probable is a labor force smaller than today.

Revised Labor Force

The labor force estimate for 2004 was 8,239 participants, fewer than in 2003 and possibly the first sign of lower participation. The number of unemployed residents in the county declined in 2004 after three consecutive years of rising numbers. The number of unemployed in the county has changed very little over 15 years while employment has increased by nearly 2,000.

All labor force estimates published from 1990 to 2004 have been revised. The more recent years reflect trends revealed during Census 2000 while the 1990s were updated to include changes from 1990 to 2000 but are still based on ratios from the 1990 census.

In the last ten years the labor force in Washburn County increased 12 percent with the addition of 880 participants (county residents who are either working or looking for work). The number of employed residents increased 13 percent over the same 10-year period while the number of unemployed residents changed very little. The annual average hides the large fluctuation in unemployed from 750 during the winter of 2004 to 360 in the fall.

Washburn County Civilian Labor Force Estimates

	Labor force	Employed	Unemployed	Unemployed rate
1990	6,315	5,869	446	7.1%
1991	6,777	6,258	519	7.7%
1992	6,806	6,267	539	7.9%
1993	7,030	6,520	510	7.3%
1994	7,150	6,653	497	7.0%
1995	7,360	6,867	493	6.7%
1996	7,564	7,106	458	6.1%
1997	7,851	7,368	483	6.2%
1998	7,856	7,399	457	5.8%
1999	7,890	7,445	445	5.6%
2000	8,017	7,619	398	5.0%
2001	8,227	7,750	477	5.8%
2002	8,156	7,611	545	6.7%
2003	8,354	7,757	597	7.1%
2004	8,239	7,733	506	6.1%

Source: DWD, Bureau of Workforce Information, Local Area Unemployment Statistics, September 2005

Education Attainment

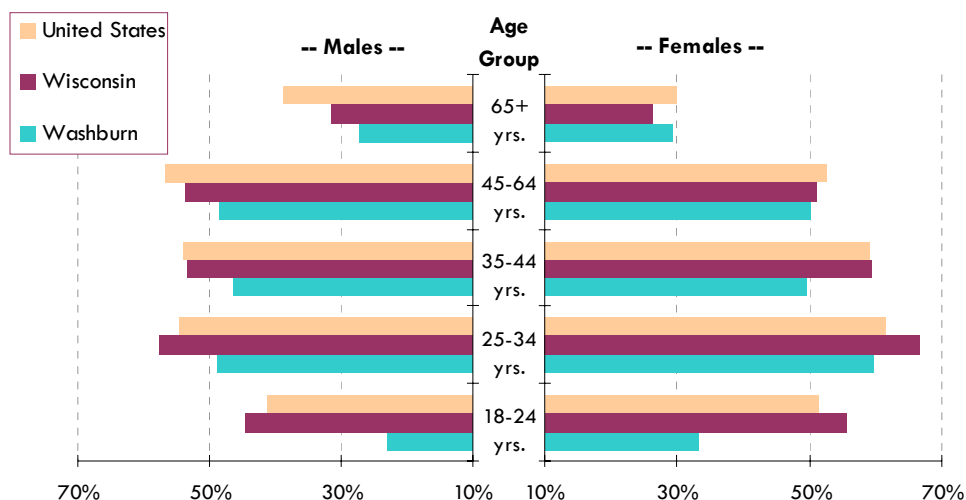
One of the most significant changes in employment that occurred during the last two decades was the shift from goods-producing to service-providing jobs. In tandem with this shift was the increase in demand for professional and technical workers employed in the high-skill services industries and the aggregation of these jobs in larger metropolitan areas.

Much of the job growth in high-skilled service jobs occurred in larger metropolitan areas while expansion in more rural economies produced lower-skilled service jobs and goods-producing jobs. The main exception in rural areas was job growth in health care and education, two industries with female-dominated professional and technical occupations. For

most counties in Wisconsin, including Washburn, this helps explain why there is a greater proportion of females in each age group with post-secondary education than males.

Growth of skilled professional and technical jobs in metropolitan areas attracted individuals from many rural areas. When students graduated from high school and left the area for post-secondary education there were few professional and technical job opportunities to bring them back to Washburn County. As a consequence, the share by age group of Washburn County residents with post-secondary education is less in every category than in the United States or Wisconsin.

Residents with post-secondary education



Source: US Census 2000, Summary file 3, QT-P20

Employment and Wages

There were 56 more jobs with Washburn County employers in 2004 than there were in 2003. But even though employment increased by only 0.9 percent in the county from 2003 to 2004, annual average wages paid to workers in those jobs increased 8.4 percent. The percent change in jobs matched the increase in Wisconsin but the rise in local wages was twice the increase in average wages in the state.

A major factor for the 8.4 percent increase in wages is a whopping 29 percent rise in manufacturing payroll which in turn produced an increase of 21.6 percent in annual average wages. In 2004 there were fewer manufacturing establishments, 37 compared to 40 in 2003, but the number of workers rose from 957 to 1,014.

In addition to the 6.0 percent increase in manufacturing jobs, which was much better than the 0.6 percent reduction statewide, several other industries added workers in 2004 including construction, professional & business services, education (private & public) & health, and information.

Employers in education & health care industries now provide 22.7 percent of the jobs in the county, the most of any industry sector, but their share of total payroll, 23.9 percent, falls short of the manufacturing payroll. The third largest payroll is paid by employers in trade, transportation, & utilities.

Average Annual Wage by Industry Division in 2004

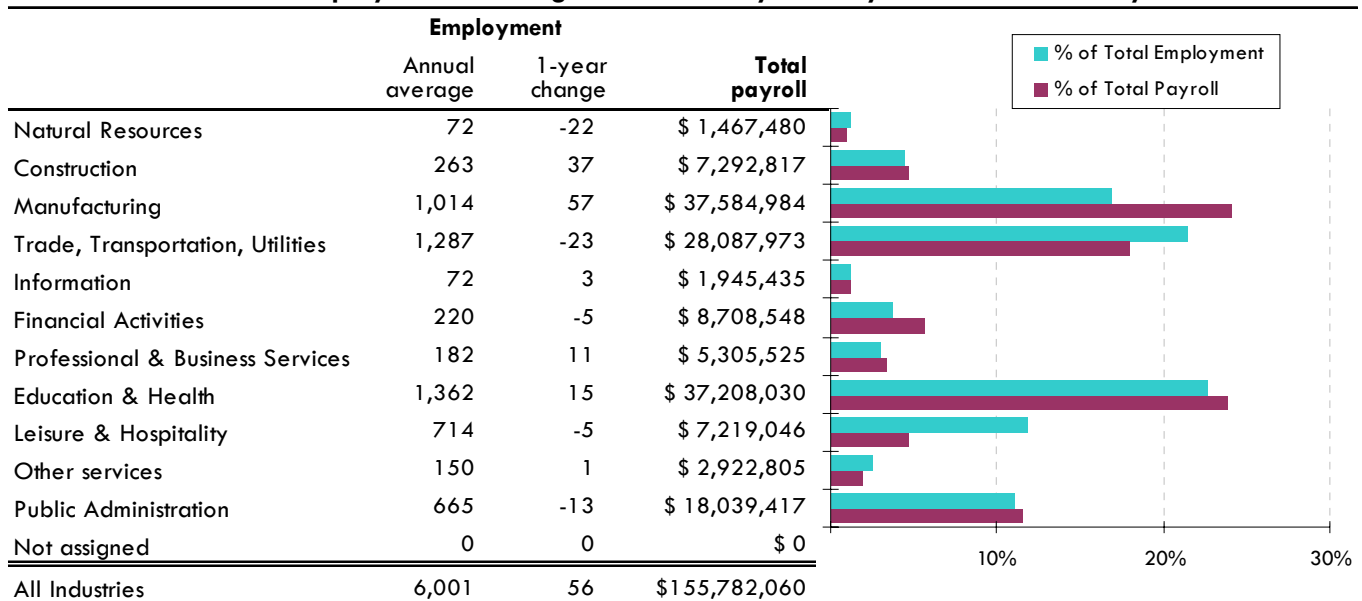
	2004		Percent of Wisconsin	1-year % change
	Wisconsin	Washburn County		
All Industries	\$ 34,749	\$ 25,959	74.7%	8.4%
Natural resources	\$ 27,399	\$ 20,382	74.4%	7.3%
Construction	\$ 41,258	\$ 27,729	67.2%	3.5%
Manufacturing	\$ 44,145	\$ 37,066	84.0%	21.6%
Trade, Transportation, Utilities	\$ 30,088	\$ 21,824	72.5%	5.5%
Information	\$ 41,759	\$ 27,020	64.7%	3.7%
Financial activities	\$ 45,103	\$ 39,584	87.8%	6.7%
Professional & Business Services	\$ 39,580	\$ 29,151	73.7%	3.5%
Education & Health	\$ 36,408	\$ 27,319	75.0%	3.9%
Leisure & Hospitality	\$ 12,295	\$ 10,111	82.2%	4.4%
Other services	\$ 20,207	\$ 19,485	96.4%	1.9%
Public Administration	\$ 36,347	\$ 27,127	74.6%	1.5%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

However, when divided by the number of workers in the sector annual average wages of \$21,824 are below the overall average of \$25,959 for all workers in the county.

The average annual wage for workers in all industries in Washburn County is only 74.7 percent of the state all industry average of \$34,749. The average wages for workers in other services come closest to wages for similar work in the state while the greatest disparity in wages is with workers in the information industry which in Washburn County includes small employers such as local papers, phone service, printing firms and theatre.

2004 employment and wage distribution by industry in Washburn County



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2005

Industry and Employers by Size

Top 10 Employers in Washburn County

Establishment	Product or Service	Size (Dec. 2004)
Link Snacks Inc	Meat processed from carcasses	250-499 employees
Spooner Health System Inc	Gen. medical & surgical hospitals	100-249 employees
School District of Spooner	Elementary & secondary schools	100-249 employees
County of Washburn	Executive & legislative offices, combined	100-249 employees
Birchwood Lumber & Veneer	Hardwood veneer & plywood mfg.	100-249 employees
Schmitz's Spooner Economart	Supermarkets & other grocery stores	100-249 employees
School District of Shell Lake	Elementary & secondary schools	100-249 employees
Department of Natural Resources	Admin. of conservation programs	50-99 employees
New Age Cable Communications	Residential electrical contractors	50-99 employees
School District of Birchwood	Elementary & secondary schools	50-99 employees

Source: DWD, Bureau of Workforce Information, ES-202, July 2005

Prominent industries in Washburn County

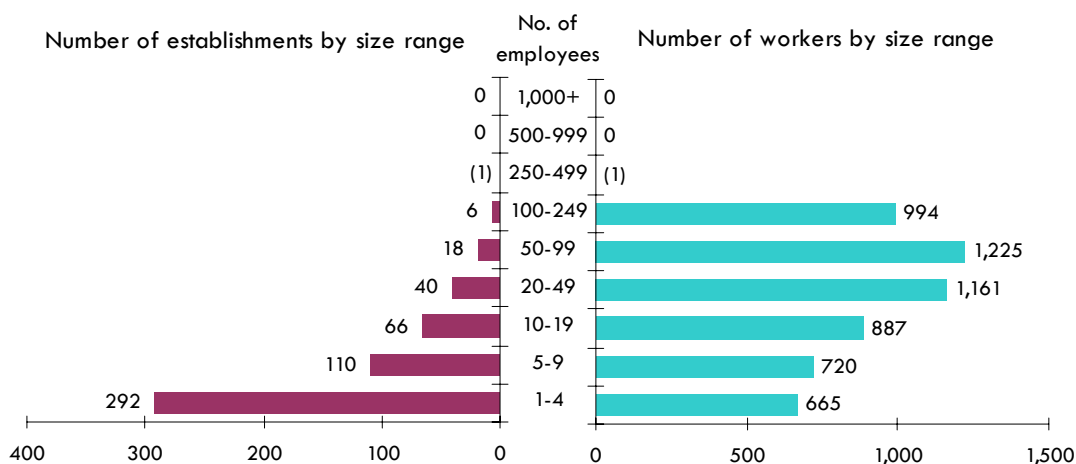
NAICS title	March 2005		Numeric change in employees	
	Establishments	Employees	2004-2005	2000-2005
Educational services	8	616	-23	39
Food services and drinking places	50	486	43	-97
Food manufacturing	4	382	not avail.	not avail.
Executive, legislative, & gen government	17	370	-5	29
Hospitals	*	*	not avail.	not avail.
Wood product manufacturing	9	281	59	42
Food and beverage stores	7	246	31	56
Ambulatory health care services	23	239	-7	-5
Motor vehicle and parts dealers	14	168	9	-8
Nursing and residential care facilities	7	141	-9	-37

* data suppressed to maintain employer confidentiality

Column headings revised 02/06

Source: DWD, Bureau of Workforce Information, ES-202, September 2005

Washburn County establishments and workers by employment size range in 2004



(1) Data not available due to suppression factors

Source: DWD, Bureau of Workforce Information, Table 221, July 2005

The county's largest industry sector, education and health care services, with over 1,360 jobs and second greatest payroll, is represented on the list of ten largest employers by four employers. The largest employer in the county, however, is in manufacturing and has been in Minong since the mid-1990s. Link Snacks and three other food manufacturing employers provide 382 jobs and comprise the third largest industry group in the county.

The largest industry group, however, is education services with eight employers, three that are among the county's largest. Together they provide over 600 jobs in the county.

The second largest industry, food services and drinking places, has twice as many establishments as any other industry on the top ten list. However, with fewer than ten workers per establishment, there are no large employers in the county.

In fact, only seven employers, one percent of all employers in the county, have more than 100 employees yet they provide over 20 percent of all the jobs in Washburn County. Three out of every four employers have fewer than ten workers and these employers provide roughly 23 percent of the jobs in the county.

Per Capita Personal Income

The per capita personal income (PCPI) in 2003 in Washburn County of \$22,794 was the twelfth lowest income among Wisconsin's 72 counties. After increasing 16 percent from 1998, an increase that lagged PCPI growth in the state of 17.2 percent, it remained well below the Wisconsin PCPI of \$30,685.

The per capita personal income report from the US Dept. of Commerce, Bureau of Economic Analysis, includes wages and salaries from jobholders, self-employed, proprietorships, and farmers. It also includes income from dividends, interest and rent; and income from transfer payments like social security, Medicaid, unemployment insurance, veteran's benefits, and welfare. The total of all these sources of income is divided by the total population to arrive at the per capita personal income.

Factors such as a higher share of residents without income (generally children), or residents on a fixed income (generally the elderly) can lower the PCPI. Another factor that heavily influences PCPI is net earnings, which comprise 70 percent of total personal income in the state and only 54 percent in Washburn County. Net earnings include income from wages, self-employment, proprietors, and an adjustment for wages earned by workers who commute to jobs outside the county. That totaled \$23,184,000 in 2003 and was 11 percent of net earnings and six percent of total income.

In Washburn County total personal income of \$375,994,000 in 2003 was up 3.5 percent from 2002 and 23 percent from 1998. In

the last year total county income increased faster than income in Wisconsin and the United States but fell short of increases over the five-year period. All of the gain in 2003 in Washburn County resulted from an increase in wage and salary disbursements since income from assets and transfer payments declined.

Wisconsin Counties 2003 Per Capita Personal Income and Rank in State

Area	2003	Rank	5-yr growth	Rank	Area	2003	Rank	5-yr growth	Rank
United States	\$ 31,472		17.1%		Manitowoc	\$ 27,807	27	13.6%	59
Wisconsin	\$ 30,685		17.2%		Marathon	\$ 29,992	16	22.0%	5
Adams	\$ 22,804	59	16.1%	37	Marinette	\$ 25,448	39	21.3%	9
Ashland	\$ 23,204	55	16.6%	32	Marquette	\$ 22,590	64	26.5%	1
Barron	\$ 24,922	41	15.2%	44	Menominee	\$ 18,449	72	19.8%	16
Bayfield	\$ 22,660	62	13.4%	60	Milwaukee	\$ 31,419	7	19.5%	18
Brown	\$ 32,076	5	17.8%	25	Monroe	\$ 23,467	54	16.8%	31
Buffalo	\$ 29,083	20	17.2%	28	Oconto	\$ 24,842	42	12.3%	66
Burnett	\$ 22,796	60	17.1%	29	Oneida	\$ 28,646	22	18.7%	21
Calumet	\$ 31,880	6	21.4%	8	Outagamie	\$ 30,952	11	20.5%	14
Chippewa	\$ 25,999	36	12.3%	67	Ozaukee	\$ 47,527	1	14.7%	48
Clark	\$ 22,227	66	13.9%	55	Pepin	\$ 24,407	44	13.0%	64
Columbia	\$ 30,846	12	18.2%	24	Pierce	\$ 27,963	26	18.6%	23
Crawford	\$ 22,628	63	20.9%	13	Polk	\$ 24,201	46	13.9%	54
Dane	\$ 36,455	3	21.0%	12	Portage	\$ 27,464	30	21.1%	11
Dodge	\$ 26,048	35	13.3%	61	Price	\$ 24,361	45	12.2%	68
Door	\$ 30,657	13	15.9%	40	Racine	\$ 31,271	8	15.0%	45
Douglas	\$ 23,568	53	15.3%	43	Richland	\$ 23,829	51	21.9%	6
Dunn	\$ 22,885	58	14.9%	47	Rock	\$ 28,256	25	14.1%	50
Eau Claire	\$ 27,469	29	17.5%	27	Rusk	\$ 20,461	71	14.0%	52
Florence	\$ 24,146	47	25.3%	3	Sauk	\$ 28,780	21	19.5%	19
Fond du Lac	\$ 29,951	17	16.1%	38	Sawyer	\$ 23,921	50	22.3%	4
Forest	\$ 21,975	68	25.4%	2	Shawano	\$ 23,941	49	13.9%	56
Grant	\$ 24,116	48	15.6%	42	Sheboygan	\$ 31,251	9	19.8%	17
Green	\$ 28,542	23	14.0%	51	St. Croix	\$ 31,091	10	13.6%	57
Green Lake	\$ 26,962	32	8.1%	72	Taylor	\$ 23,020	56	16.6%	34
Iowa	\$ 27,308	31	19.2%	20	Trempealeau	\$ 25,242	40	18.7%	22
Iron	\$ 22,912	57	21.1%	10	Vernon	\$ 20,950	70	15.7%	41
Jackson	\$ 26,084	34	21.9%	7	Vilas	\$ 25,664	37	13.0%	63
Jefferson	\$ 29,330	18	16.5%	35	Walworth	\$ 27,626	28	13.6%	58
Juneau	\$ 22,382	65	12.7%	65	Washburn	\$ 22,794	61	16.0%	39
Kenosha	\$ 29,117	19	16.5%	36	Washington	\$ 35,196	4	14.9%	46
Kewaunee	\$ 25,536	38	8.8%	71	Waukesha	\$ 41,551	2	12.2%	69
La Crosse	\$ 28,284	24	16.8%	30	Waupaca	\$ 26,863	33	14.0%	53
Lafayette	\$ 21,983	67	10.1%	70	Waushara	\$ 21,762	69	13.2%	62
Langlade	\$ 23,739	52	20.4%	15	Winnebago	\$ 30,359	15	16.6%	33
Lincoln	\$ 24,725	43	14.6%	49	Wood	\$ 30,401	14	17.7%	26

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2005